

Net to Del-10-74-0812

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28 JUN 1974

MEMORANDUM FOR: Brandon Grove, Jr.
NSC Under Secretaries Committee

SUBJECT : Control of U.S. Government Presence
Abroad (OPRED)

REFERENCE : NSC Under Secretaries Committee
Memorandum, NSC-U/SM-119L,
dated June 24, 1974

1. I concur in the draft of (a) Memorandum to the President, Subject: Monitoring of U.S. Government Presence Abroad, (b) Memorandum for Chairman, Under Secretaries Committee, Subject: Monitoring Overseas Direct Employment.

2. In my view, the draft Guidelines for Monitoring Overseas Direct Employment (MODE) do not meet the intent of the NSC Under Secretaries Committee meeting of 20 May 1974. The clear desire was to (a) restore the responsibility for the deployment of its overseas personnel to the heads of the several agencies and departments within existing overseas presence ceilings and (b) simplify the administrative procedures for offset adjustments. Specifically, I believe that the informal and formal phases of paragraph 5 of the guidelines draft should be combined into one step and intra-regional offset adjustments within authorized ceilings be dependent only on the approval of the losing and gaining ambassadors. Interregional offset adjustments could include the concurrences of the respective regional assistant secretaries of the Department of State.

3. In taking exception to these draft provisions, I am not overlooking the beneficial changes in the draft such as the elimination of yearly ceiling letters, the reduction from quarterly to semi-annually reporting (this could hopefully be reduced to once a year) and the recognition of the coordination responsibilities imposed on me by the President. These are steps in the right direction but in their vital part the guidelines retain too

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much of the objectionable practices of the past.

4. Since I understand that the representatives of the Department of Defense also have serious substantive reservations on the MODE guidelines, I urge that they not be forwarded to the President but that the Working Group be reconvened and make another attempt of arriving at guidelines which will more fully meet the direction of the NSC Under Secretaries Committee. My representative will be available upon your call.

/s/ W. E. Colby

W. E. Colby
Director

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